

31 May 47

BALANCE OF INTERNATIONAL PAYMENTS ON CURRENT ACCOUNT
UNITED KINGDOM
(MILLIONS OF POUNDS STERLING)

	1913	1924	1938	1946	Prospects Future Years		
					1947	1948	1952
Merchandise Trade:							
Payments for Total General Imports*			-835	-1110	-1125	-1150	
Receipts for Total Exports Including Re-Exports			+533	+ 890	+1100	+1200	
Net Merchandise Trade Balance	- 65	-228	-302	- 220	- 325	- 250	- 50
Net Income From Shipping*	+ 14	+ 30	+ 20	+ 10	+ 20	+ 30	+ 40
Net Income From Long-Term Foreign Investments	+210	+220	+175	+ 105	+ 100	+ 90	+ 90
Net Special Interest Payments on Short-Term Debts and Balances	***	***	***	- 25	- 25	- 25	- 20
Net Commissions, Insurance, Brokerage, etc.*	+ 25	+ 60	+ 35	+ 30	+ 35	+ 40	+ 40
Net Royalties (Largely or Wholly Motion Picture)	***	***	- 7	- 17	- 15	- 10	- 5
Net Tourist Expenditures (and Overseas Airlines)	***	***	- 12	- 10	- 5	0	+ 10
Net Government Expenditures Overseas (Civil and Military, Inc. Relief and Occupation Cost.)	***	***	- 16	- 300	- 190	- 100	- 50
Net Miscellaneous	+ 10	- 10	+ 37	+ 27	+ 20	***	***
Aggregate Net Balance on Current Account	+194	+ 72	- 70	- 400	- 385	- 225	+ 55#

NOTE: All pound sterling figures are in current year prices. (In 1946, index of import prices = 206, and index of export prices = 198, both on 1938 = 100 base.) For purposes of estimation it is gratuitously assumed that there will be a decline in general prices, from present levels, of about 1/6 in 1948 and 1/3 in 1952, and that the terms of trade will be more favorable to the UK in both years than at present.

* indicates payments for merchandise imports, shipping, financial and other services by foreigners for UK agencies and all other "debit" transactions.

+ indicates receipts for merchandise exports, shipping, financial and other services by UK agencies for foreigners and all other "credit" transactions.

In all years the imports and net merchandise trade balance figures are f.o.b. cost of imports in the country of origin. Similarly, estimates of shipping and of net commissions for insurance, etc., exclude charges for the services of UK shipping and insurance.

*** indicates zero or included with other items.

Under the conditions shown, for this year the UK also would be responsible for an interest payment of £25 million on the US and Canadian loans which would reduce the net long-term interest and the net balance on current account by that amount.

SECRET